





MESSAGES FROM CHAIRMAN & EXECUTIVE DIRECTOR

FUELLING PURPOSE WITH INSIGHT

Our Chairman and Executive Director reflect on the past year and look to the challenges and opportunities ahead.



Chairman's Message

2015 was an intensely challenging year for the Hong Kong tourism industry. Like cyclists in an uphill mountain race, we faced considerable adversity but emerged with our spirit and resolve intact.

We saw a decline in visitor arrivals from the Mainland for the first time since 2003, partly because the visa policy was tightened from multiple-entry to one visit a week. At the

same time, Hong Kong's hospitable image was affected by a few incidents concerning Mainland visitors.

The strong Hong Kong dollar, meanwhile, dented our arrivals from some international markets although we did see encouraging signs of growth in the second half of the year in some key markets including the US, Japan, South Korea, the Philippines and Thailand.

Our industry remains mired in a period of considerable challenge and it will require unity and ingenuity for us to regain the momentum. What has impressed and heartened me has been the remarkable way in which my colleagues at the Hong Kong Tourism Board along with our trade and Government partners have risen to that challenge.

Nothing better symbolises our determination than the first-ever Hong Kong Cyclothon which drew more than 3,600 competitors from 17 countries and regions. It was a spectacle that perfectly captured the energy and dynamism of our city.

As well as the Cyclothon, our ideas and our sheer hard work have also begun to put us back on the right track. We teamed up with Taiwan to promote multi-destination itineraries to the North America market and boost tourists' desire to visit Asia, including Hong Kong. Our efforts in securing MICE events also paid off with more high-profile events coming to and continuing to run in Hong Kong.

We also saw overwhelming support from our trade partners for the Hong Kong Summer Fun promotion, an event that highlights our year-round, all-seasons appeal as a destination. And the Hong Kong Government has given us steadfast support, putting valuable resources into our programmes and launching a matching fund for attractions to support overseas promotions.

I believe we are beginning to see the fruits of these efforts. Positive sentiment is seeping back into our tourism sector. Every month, new and returning visitors from cities and countries everywhere are discovering Hong Kong's diverse and timeless appeal as Asia's World City.

The road back to tourism growth is an uphill one, and we must continue to stretch our sinews and put every ounce of strength

into it. Like any winning team, though, it is our unity that will give us the competitive edge over our regional rivals.

Riding side by side with our trade and Government partners, harnessing our collective imagination and ingenuity and strength, I have every confidence that together we can power up our tourism industry and speed our way towards exciting new opportunities.



Dr Peter Lam
Chairman
Hong Kong Tourism Board



Executive Director's Statement

A great philosopher once said that the only thing that is constant is change – and the events of the past 12 months have demonstrated how the tourism industry is one that is particularly susceptible to the winds of change.

We are passing through a period of turbulence and challenge. The way we adjust to that turbulence and rise to the challenge will determine the future of an industry that is such a vital element of Hong Kong's economy.

Tourism has had a testing time in the past year. The constantly evolving behaviour and trends of international travellers have tested our resilience as one of the region's leading destinations; the cost of travelling here has increased because of a strong Hong Kong dollar; and our city's image as a friendly, hospitable destination has been dented by thorny issues.

It is imperative that we react positively and effectively and power Hong Kong forward with the resourcefulness and spirit of

innovation that has made us one of the world's most dynamic, successful cities.

At the Hong Kong Tourism Board we have focussed on a number of objectives in events, marketing, public relations and trade partnership to ride out the storms of recent months and steer our tourism industry towards calmer skies.

Firstly, we have promoted the unique Hong Kong experience, organising and supporting more mega events to highlight the diversity and dynamism of our city. Through impactful marketing and public relations campaigns, we have reached out to consumers globally to show them the incredible diversity of experience they can enjoy in a single trip to Hong Kong.

Secondly, we have teamed up with trade partners across the city to provide even more attractive packages and special offers for visitors to enjoy. Hong Kong Summer Fun was a terrific example of how we can pull out all the stops to make sure visitors have an unforgettable, fun-packed stay.

Thirdly, we have made efforts to enhance Hong Kong's reputation as a welcoming and hospitable city. We have worked closely with personalities and media organisations in China to generate positive stories and word-of-mouth advocacy, and promoted Quality Tourism Services Scheme and Quality and Honest Hong Kong Tours to guarantee a high-quality experience for every visitor.

Beyond this, we have also launched new initiatives to open up business opportunities for our trade partners. On top of the New Tour Product Development Scheme, with additional funding from the Government, we have had in place a Matching Fund for Overseas Tourism Promotion by Tourist Attractions Scheme (MFTA) to further strengthen the attractiveness of our attractions.

There is no question that our tourism industry has been buffeted by the headwinds of change and challenge in the past year. However, it is important to remember that despite these setbacks, we have seen extraordinary growth in visitor numbers over the past decade and Hong Kong remains a top tourism destination that attracts tens of millions of visitors a year and is by far the second most-visited destination after the Mainland.

We have every reason for optimism, and I would like to warmly thank the Government and our trade partners for their constant support and encouragement over the years. Together, we are a formidable team with a wealth of ideas and an irresistible brand to promote. Together, we can power up Hong Kong and make sure that this dazzlingly diverse city remains one of the world's most exciting and unmissable tourism destinations.



Anthony Lau
Executive Director
Hong Kong Tourism Board